

SECURITY INFORMATION

Approved For Release 2005/04/27 : CIA-RDP78-05538A000300070004-8  
*Office Memorandum* • UNITED STATES GOVERNMENT

TO : Comptroller

DATE: 11 March 1952

FROM : Office of General Counsel

SUBJECT: Protection of Government Funds Advanced to Individuals

- REFS: (1) General Counsel's memo to Executive dated 4/20/49  
(2) Audit memos regarding cost of travelers checks dated 1/30/50  
(3) Budget Officer's memo to Executive dated 2/10/50  
(4) DD/A's memo to Comptroller dated 10/4/51  
(5) Finance Division's memo to Comptroller dated 11/12/51  
(6) Comptroller's memo to DD/A dated 11/19/51  
(7) Comptroller's memo to General Counsel dated 11/26/51

1. The attached correspondence, entitled as above, presents the problem of payment from Agency funds of the fee for the purchase of travelers checks without regard to the end use of the checks.

2. At one time the Comptroller General indicated that the cost of travelers checks was a personal expense regardless of the nature of the funds protected. (4 Comptroller General 883.) However, in a later opinion (23 Comptroller General 212), issued some fifteen years after the standardized government travel regulations were first approved, the Comptroller General, after citing the above statement, continued on and stated that under the travel regulations "the only unlisted miscellaneous expenditures provided are those incurred in connection with the transaction of official business," and that while allowable personal expenses are specified with some particularity, they do not include the cost of travelers checks. The Comptroller General previously stated in the same opinion that,

"In the standardized regulations,...in the effort to make travel expenses uniform throughout the Government service the items to be reimbursed were listed with particularity, and it was not left to the discretion of the employee traveling, or his department head, or this (Comptroller General) office, to allow even necessary items not provided for by regulation." (underscoring added)

3. From these opinions, it is seen that a clear prohibition exists against the expenditure of vouchered funds by any government agency for reimbursement for the cost of travelers checks used to protect money advanced for travel expense. Although deferring the point for the moment, it would appear that the prohibition might also extend to the expenditure of unvouchered funds.

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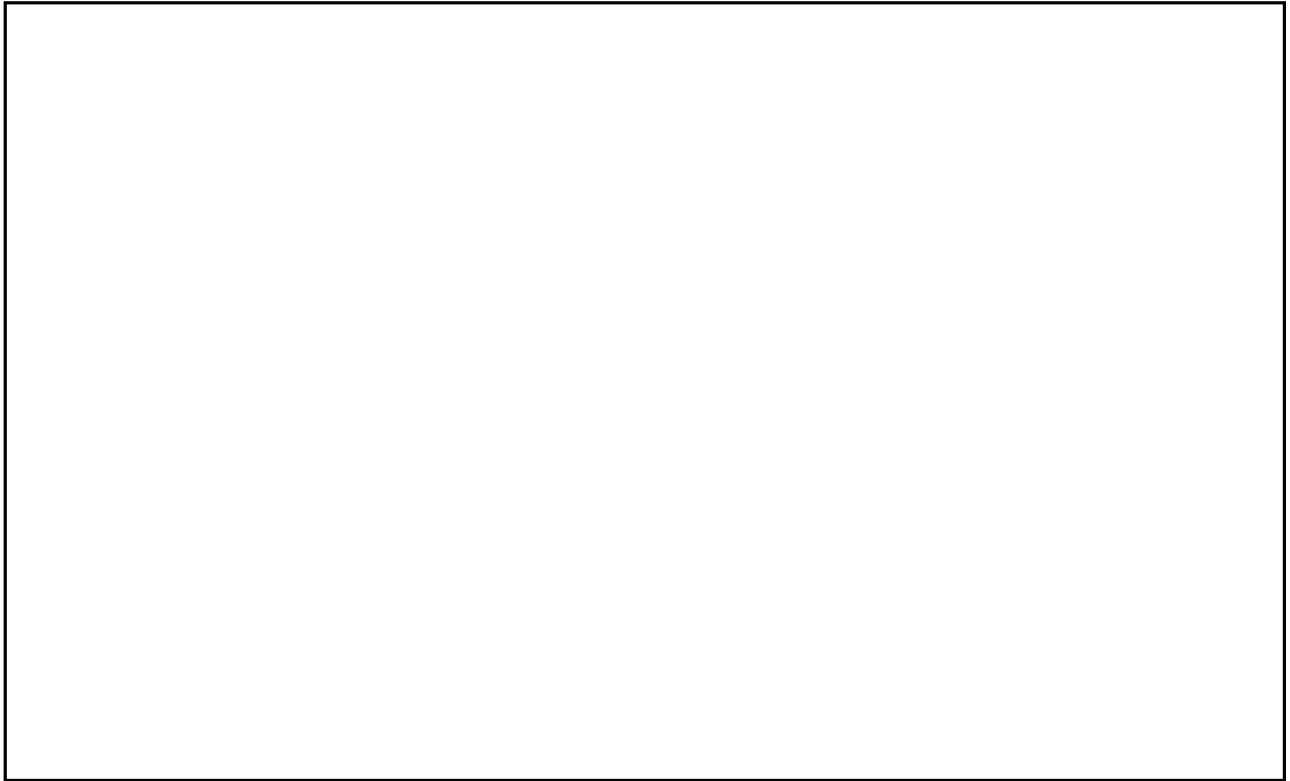
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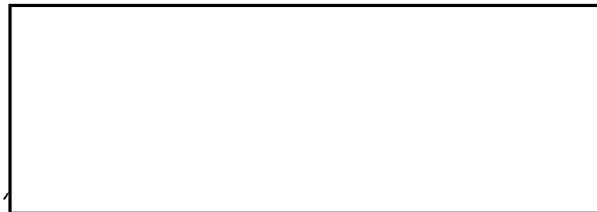
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5. It is therefore the opinion of this office that it would be legally objectionable to amend C.F.R. paragraph 11.0.a(2) to authorize the payment from Agency funds of the fee for the purchase of travelers checks without regard to the actual end use of the checks. Further, it is our opinion that in this particular instance, no distinction should be made between vouchered and unvouchered funds as far as indoctrination of Agency personnel and methods of protection are concerned.



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OGC/JGO'N/mb

Encls: Refs. (5), (6) and (7)

**Distribution:**

- Orig - Add
- 1 - DD/A
- 1 - Finance Division
- 4 - OGC

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CENTRAL INTELLIGENCE AGENCY  
OFFICIAL ROUTING SLIP

TO	INITIALS	DATE
1 Comptroller, Rm. 209, Central		
2 <span style="border: 1px solid black; display: inline-block; width: 150px; height: 40px;"></span>	<i>HPB</i>	<i>3/13/52</i>
3 <span style="border: 1px solid black; display: inline-block; width: 150px; height: 40px;"></span>	<i>RHF</i>	<i>3/18/52</i>
4 " Saunders		
5		

FROM	INITIALS	DATE
1 Office of General Counsel	<i>HPB</i>	
2		
3		

- |                                      |   |                                    |
|--------------------------------------|---|------------------------------------|
| <input type="checkbox"/> APPROVAL    | <input type="checkbox"/> INFORMATION          | <input type="checkbox"/> SIGNATURE |
| <input type="checkbox"/> ACTION      | <input type="checkbox"/> DIRECT REPLY         | <input type="checkbox"/> RETURN    |
| <input type="checkbox"/> COMMENT     | <input type="checkbox"/> PREPARATION OF REPLY | <input type="checkbox"/> DISPATCH  |
| <input type="checkbox"/> CONCURRENCE | <input type="checkbox"/> RECOMMENDATION       | <input type="checkbox"/> FILE      |

REMARKS: ② to ③

*I believe you wrote a staff study on this subject. HPB*  
*I didn't prepare any staff study. The only time I got into the subject was with regard to [redacted] [redacted]*  
*much. RHF*

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